

Mountain Regional Water
DISTRICT

2007
YEAR

CERTIFICATION OF BUDGET

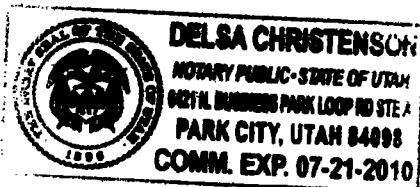
ADOPTION OF BUDGET INFORMATION:

In compliance with Title 17A, Part 4 of the *Utah Code*, I, the undersigned, certify that the attached budget document is a true and correct copy of the budget of Mountain Regional Water for the fiscal year ending December 31, 2007, as approved and adopted by resolution on December 20, 2006. A public hearing, which met the requirements of the *Utah Code*, section (indicate which): 2006

☒ 17A-1-412 and 413, (applicable to entities who are adopting a budget prior to beginning of the fiscal year)

☐ 59-2-918 and 919, (applicable to entities who have budgeted a tax rate increase)

was held on December 20, 2006



Signed: [Signature]
Budget Officer

Subscribed and sworn to this 17th

day of January, 2007

Delba Christenson
(Notary Public)

MOUNTAIN REGIONAL WATER
2007 Operating Budget - Accrual Basis
ENTERPRISE FUND

	2005 Actual	2006 Amended (Actual Est.)	2007 Total Budget	2007 Budget to 2006 Amended
<u>OPERATING INCOME</u>				
Water Sales	4,108,515	4,256,400	4,475,300	218,900
Connections	483,745	166,000	166,000	-
Contract Maintenance	10,479	6,600	6,600	-
Other	132,622	54,500	74,500	20,000
Total Operating Income	4,735,361	4,483,500	4,722,400	288,900
<u>OPERATING EXPENSES</u>				
Water Production	747,972	1,051,300	1,361,000	309,700
Operations & Maintenance	1,069,234	1,073,100	1,060,700	(12,400)
Engineering & Development	94,037	42,200	118,200	76,000
Information Technology	-	104,800	108,900	4,100
Public Services	99,571	254,700	253,900	(800)
Finance	184,853	214,200	221,200	7,000
Legal	86,019	269,300	269,300	-
Depreciation	1,053,157	1,291,500	1,317,300	25,800
Total Operating Expense	4,288,812	4,301,100	4,710,500	409,300
OPERATING PROFIT (LOSS)	446,549	182,400	11,900	(170,500)
<u>OTHER INCOME (EXPENSE)</u>				
Other (Grants)	11,667	11,700	11,700	-
Interest Earnings - Available for Debt Service	254,228	213,500	329,100	115,600
Interest Earnings - Restricted	203,154	168,100	335,200	167,100
Impact Fees	704,709	600,000	600,000	-
SID Assessments	5,182,900	2,000,000	2,000,000	-
Other Non-operating Income	-	13,300	73,000	59,700
Interest Expense/Bank Fees	(2,435,388)	(2,764,400)	(2,680,100)	84,300
Amortization Expense	(107,882)	(108,000)	(108,700)	(700)
OTHER INCOME (EXPENSE)	3,813,470	1,838,200	3,020,200	(793,200)
NET INCOME (LOSS)	4,258,019	3,220,600	3,132,100	(125,900)
CONTINGENCY	100,000	50,000	100,000	50,000
NET CHANGE IN EQUITY	4,358,019	3,270,600	3,232,100	(125,900)

MOUNTAIN REGIONAL WATER
2007 Debt Service Budget - Cash Basis

	2007 Revenue Bond Debt Service	2007 SID Debt Service	2007 Total Debt Service
<u>CASH AVAILABLE FOR DEBT SERVICE</u>			
Operating Income	529,300	(517,400)	11,900
Add Back Depreciation	799,900	517,400	1,317,300
Add in Interest Available for Debt Service	329,100	-	329,100
Add In Impact Fees	600,000	0	600,000
Add In SID Assessments	-	2,000,000	2,000,000
Add in Other Non-operating Income	73,000	-	73,000
Cash Carryover from Previous Years	not allowed	3,500,000	3,500,000
Total Available For Debt Service	2,331,300	5,500,000	7,831,300
Principal	242,600	1,300,000	1,542,600
Interest	1,621,200	1,017,000	2,638,200
Total Debt Service	1,863,800	2,317,000	4,180,800
Debt Service X 1.25	2,329,800	n/a	n/a
Debt Coverage Ratio	125.1%	237.4%	n/a

**MOUNTAIN REGIONAL WATER
2007 Capital Budget - Cash Basis**

CAPITAL PROJECTS

Funds Available

Carryforward Funds	844,400
New Cash Reserves	200,000
Insurance Funds for Treatment Plant Office	50,000
Water Resource Funds - Treatment Plant / Demonstration Garden ⁽¹⁾	1,150,000
Total Proceeds Available	2,244,400

Capital Projects

System Improvements	400,000
Treatment Plant Upgrade & Demonstration Garden ⁽¹⁾	1,200,000
Capitalize Personnel Costs for Projects & Systems	186,200
Contingency	160,000
Total Capital Projects	1,946,200

NET CASH FOR CAPITAL PROJECTS IN FUTURE YEARS

298,200

CAPITAL EQUIPMENT

Funds Available

Carryforward Funds	295,000
Operations Cash Available After Debt Coverage	295,000

Capital Equipment

Water Production	10,000
Operations & Maintenance	249,000
Engineering & Development	-
Information Technology	36,000
Total Capital Equipment	295,000

NET CASH AFTER CAPITAL EQUIPMENT

-

(1) - If the Water Resource Funds received are less than projected, the most critical upgrade for pre-treatment and sludge removal can be funded with \$125,000 from impact fee collections, net cash for future projects, and contingency, although this could impact future capital project and equipment funding.